

This analysis centers mostly on the proposed increase in continuing education expected of accountants. This provision is the one that has more likely financial impact on the profession.

Persons to be affected

CPAs and LPAs who work in private sector (not performing audits, etc. for the public). This same group, or their employers, would bear the related costs and potential benefits.

Probable impact, including economic

The Ethics CPE change is a content specification, not a requirement to obtain more CPE.

The additional 20 CPE hours per year (average), will affect non-public accountants – ie. about 1058 [about 60% of the 1763 licensees based in the state]. The financial impact on the regulated group could be nominal; or it could be substantial – depending on choices made by the licensee group.

1. They need not take any added CPE, or any CPE at all if they do not use the CPA title. Presently, about one third, 344, do not use the credential (2016 renewal).
2. Another option where they don't need any CPE, is by using the term "inactive" when using the CPA title.
3. If they choose to use the CPA title, without "inactive", added CPE will be expected. But there are numerous no-cost CPE options available. Examples include:

[PWC](http://pwc.com/us/en/professional-development-program/assets/professional-development-program-event-calendar.pdf). pwc.com/us/en/professional-development-program/assets/professional-development-program-event-calendar.pdf

AccountingCred. accountingcred.org/?gclid=EAIaIQobChMIJeHsNnr1QIVCZ7ACh2n0g7sEAAYASAAEgIW3fD_BwE

AICPA Course Pilot Testing. <http://aicpacompliance.poll daddy.com/s/pilot-testing-survey>

Robert Half (500 classes). <https://www.roberthalf.com/finance/job-seekers/e-learning>

CPA Self Study.com. <https://cpaselfstudy.com/free-cpe>

KPMG. <http://www.kpmg-institutes.com/events/webcast-landing-page.html>

Paychex. <https://www.paychex.com/accounting-professionals/resources/knowledge-center/index.aspx>

Proformative (10 1-hour classes displayed). <https://www.proformative.com/free-cpe-webinars>

Other sources: events held by banks, chambers, investment firms.

4. There are also various "CPE subscription" options also available. Examples include:

CPACentral.pro. \$95 subscription for up to 200 hours. cpecentral.pro.

AICPA.org. \$149 subscription.

CPA Discount Store.com. \$139 subscription. 100s of classes.

Depending on individual choices, the financial impact on the regulated group could be nominal.

Or it could be \$71,000 or more ... if choices 1, 2, and 3 are not used [1058 non-public, less 344 not now using their title, multiplied by a \$95 subscription fee].

Probable agency costs to implement and enforce

Implementation of the rule will have negligible cost for the agency -- \$2000 for notices and hearings, modest additional time during renewal process, etc. This does not include costs of preparing the proposals.

Effect on state revenues

There should be no effect on revenues of the state or the agency.

Alternative options / consideration

The agency's desire was to have all accountants held to the same standard of continuing education – a standard already present in most states and within the national association AICPA.

The basic options were to either make or not make the change.

The inclusion of ethics content is a common provision in other states, and will provide an ongoing reminder of ethical obligations. Ethical problems in the state are nominal, but it was the desire of the agency to include this measure present in various other states.